

Panel Discussion: E-Government and Citizen-Centered Government Round Table

Overcoming the Digital Divide – Kelly Levy (klevy@ntia.doc.gov)

Two major policy issues for the National Telecommunications and Information Administration in relation to e-Gov are access and privacy, which are both key components to making e-Gov work. The key to making e-Gov work is not technology but the customer. We must make sure that our customers are connected first and then that they can access and use the services and information that we provide. There are still a lot of people who don't have access to computers and/or the Internet. NTIA works with other bureaus in the Department of Commerce to see who is connected. The latest survey was done in September 2001 using information from 50,000 households. The report is available at www.ntia.doc.gov and additional information is provided below. The report is called "A Nation On-Line – How Americans Use the Internet." Over one half of Americans use the Internet at home, work, school, or at libraries or public places. The demographics of who's on and who's not are shown in the report. The number of people on line (143 million) increased by 140% since 1997 across all income levels. People who are employed are more likely to be on line (65% of employed compared to 37% of unemployed). Over 55, fewer people are on line. The gender gap has decreased with half of both on line. Households with 2 parents are more likely to be on line. Suburban area are the most connected with rural close behind and inner city the least connected. Asian and Whites are most connected but 2001 showed a large increase for Hispanics and Blacks. Over 30% had accessed government sites to get service. Kids are the biggest users (90%) with ages 5-17 having 60% using Internet and 18-24 having 85%

Many people don't use Internet fully because of privacy concerns – fear info will be used without their knowledge or misused. Many agencies are trying to address the privacy issues and have designated chief Privacy officers to ensure citizen privacy. Few technologies have spread as quickly, or become so widely used, as computers and the Internet. These information technologies are rapidly becoming common fixtures of modern social and economic life, opening opportunities and new avenues for many Americans. Additional information on the survey is below.

A Nation Online: How Americans Are Expanding Their Use of the Internet shows the rapidly growing use of new information technologies across all demographic groups and geographic regions. Not only are many more Americans using the Internet and computers at home, they are also using them at work, school, and other locations for an expanding variety of purposes.

In the last few years, Americans' use of the Internet and computers has grown substantially.

- The rate of growth of Internet use in the United States is currently two million new Internet users/month.
- More than half of the nation is now online. In September 2001, 143,000,000 Americans (about 54% of the population) were using the Internet — an increase of 26 million in 13 months. In September 2001, 174 million people (or 66 percent of the population) in the United States used computers.

The Internet is becoming an increasingly vital tool in our information society. More Americans are going online to conduct such day-to-day activities as business transactions, personal correspondence, research and information-gathering, and shopping. Each year, being

digitally connected becomes ever more critical to economic, educational, and social advancement. Now that a large number of Americans regularly use the Internet to conduct daily activities, people who lack access to those tools are at a growing disadvantage. Therefore, raising the level of digital inclusion -- by increasing the number of Americans using the technology tools of the digital age -- is a vitally important national goal. Children and teenagers use computers and the Internet more than any other age group. Computers at schools substantially narrow the gap in computer usage rates for children from high and low income families.

The National Telecommunications and Information Administration (NTIA)'s report on "Falling Through the Net: Toward Digital Inclusion" measures the extent of digital inclusion by looking at households and individuals that have a computer and an Internet connection. NTIA measures the digital divide by looking at the differences in the shares of each group that is digitally connected. For the first time, they also provide data on high-speed access to the Internet, as well as access to the Internet and computers by people with disabilities.

The data show that the overall level of U.S. digital inclusion is rapidly increasing:

- The share of households with Internet access soared by 58%, rising from 26.2% in December 1998 to 41.5% in August 2000.
- More than half of all households (51.0%) have computers, up from 42.1% in December 1998.
- There were 116.5 million Americans online at some location in August 2000, 31.9 million more than there were only 20 months earlier.
- The share of individuals using the Internet rose by 35.8%, from 32.7% in December 1998 to 44.4% in August 2000.

The rapid uptake of new technologies is occurring among most groups of Americans, regardless of income, education, race or ethnicity, location, age, or gender, suggesting that digital inclusion is a realizable goal. Groups that have traditionally been digital "have nots" are now making dramatic gains:

- The gap between households in rural areas and households nationwide that access the Internet has narrowed from 4.0 percentage points in 1998 to 2.6 percentage points in 2000.
- Rural households are much closer to the nationwide Internet penetration rate of 41.5%. In rural areas this year, 38.9% of the households had Internet access, a 75% increase from 22.2% in December 1998.

Access to the Internet is also expanding across every education level, particularly for those with some high school or college education. Households headed by someone with "some college experience" showed the greatest expansion in Internet penetration of all education levels, rising from 30.2% in December 1998 to 49.0% in August 2000. The disparity in Internet usage between men and women has largely disappeared. In December 1998, 34.2% of men and 31.4% of women were using the Internet. By August 2000, 44.6% of men and a statistically undistinguishable 44.2% of women were Internet users. Individuals 50 years of age and older -- while still less likely than younger Americans to use the Internet -- experienced the highest rates of growth in Internet usage of all age groups: 53% from December 1998 to August 2000, compared to a 35% growth rate for individual Internet usage nationwide.

Nonetheless, a digital divide remains or has expanded slightly in some cases, even while Internet access and computer ownership are rising rapidly for almost all groups. For example, the August 2000 data show that noticeable divides still exist between those with different levels of income and education, different racial and ethnic groups, old and young, single and dual-parent families, and those with and without disabilities.

Large gaps also remain regarding Internet penetration rates among households of different races and ethnic origins. Asian Americans and Pacific Islanders have maintained the highest level of home Internet access at 56.8%. Blacks and Hispanics, at the other end of the spectrum, continue to experience the lowest household Internet penetration rates at 23.5% and 23.6%, respectively. percentage point gap that existed in December 1998.

With regard to computer ownership, the divide appears to have stabilized, although it remains large. The August 2000 divide between Black households and the national average rate with regard to computer ownership was 18.4 percentage points (a 32.6% penetration rate for Black households, compared to 51.0% for households nationally). That gap is statistically no different from the gap that existed in December 1998.

Individuals 50 years of age and older are among the least likely to be Internet users. The Internet use rate for this group was only 29.6% in 2000. However, individuals in this age group were almost three times as likely to be Internet users if they were in the labor force than if they were not.

Two-parent households are nearly twice as likely to have Internet access as single-parent households (60.6% for dual-parent, compared to 35.7% for male-headed households and 30.0% for female-headed households). In central cities, only 22.8% of female-headed households have Internet access.

Americans are using the Internet in the following ways:

- E-mail remains the Internet's 'killer application'-79.9% of Internet users reported using e-mail.
- Online shopping and bill paying are seeing the fastest growth.
- Low income users were the most likely to report using the Internet to look for jobs.

The August 2000 data show that schools, libraries, and other public access points continue to serve those groups that do not have access at home. For example, certain groups are far more likely to use public libraries to access the Internet, such as the unemployed, Blacks, and Asian Americans and Pacific Islanders.

Internet access is no longer a luxury item, but a resource used by many. Overall, the findings in this report show that there has been tremendous progress in just 20 months, but much work remains to be done. Computer ownership and Internet access rates are rapidly rising nationwide and for almost all groups. Nonetheless, there are still sectors of Americans that are not adequately digitally connected. Until everyone has access to new technology tools, we must continue to take steps to expand access to these information resources.